	<p align="center">SOLICITATION AMENDMENT</p> <p>Solicitation Number: <u>RFP YH07-0044</u> Amendment Number One</p>	<p>Arizona Health Care Cost Containment System (AHCCCS) 701 East Jefferson, MD 5700 Phoenix, Arizona 85034</p> <p>Sr. Procurement Specialist: Jamey Schultz E-mail: Jamey.Schultz@azahcccs.gov</p>
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A signed copy of this amendment must be returned with the proposal and received by AHCCCS on or prior to the Solicitation due date and time. This solicitation is amended as follows:

1. Reference "Scope of Work, page 15, paragraph 5.4:
DELETE paragraph 5.4 in its entirety.
2. Reference "Scope of Work, page 17, paragraph 7.0:
DELETE "or previous performance level" in the third sentence.
3. Reference "Scope of Work," page 22, paragraph 9.2:
DELETE the following:

Annual Statement on Auditing Standards (SAS) No. 70. Service Organizations Examination with a Type II Service Auditor's Report	120 days after year end	DBF - Finance
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4. Reference "Scope of Work," page 28:
REPLACE the last paragraph (before the bullets), with the following:

As it relates to the document imaging system (Fortis and KOFAX), the Contractor must have the following hardware or compatible hardware (acceptability determined by AHCCCS):

5. Reference "Special Instructions to Offerors," page 43:
DELETE para. 3.1.1 and 3.1.2 and **REPLACE** with the following:

3.1 Cost Proposal:

- 3.1.1 Submit a firm fixed price to perform the required activities described in the RFP by completing the cost proposal form in Exhibit A. For the initial contract period, a per diem rate must be provided for the time period of May 19, 2008 through June 30, 2009.
- 3.1.2 For each of the four contract periods, provide a detailed budget breakdown, which supports the bid price. The budget shall included at a minimum, detailed costs for the following: personnel (including benefits), facilities (utilities, rent), equipment and supplies (including printing, postage, and travel), fee or profit/risk and total and in addition to an overall contract year budget shall show specific costs associated with the KidsCare program and the HIFA parent program. Start up costs should be amortized over the first two years of the contract (i.e., first contract period).

6. Reference "Special Instructions to Offerors," pages 44 through 46:

ADD the following sentence to para 3.3.1 through 3.3.13:

Attachments and Exhibits, beyond the documentation requested and which exceed the maximum page limit for each paragraph, may be an additional two (2) pages for each paragraph.

7. Reference "Special Instructions to Offerors," page 45:
REPLACE the last sentence in para. 3.3.9, with the following:

Response is limited to twelve pages, excluding the flow diagram.

8. Reference "Special Instructions to Offerors," page 47:
ADD the following paragraph:

14. Additional Guidelines for Exceptions to Terms and Conditions:

In keeping with the "Uniform Instructions to Offerors," page 36, paragraph 3.4, Exceptions to Terms and Conditions: If an Offeror takes any exception to any term, condition or requirement included in this solicitation document, such exception shall be submitted to the Contract Specialist **by July 31, 2007.**

26.1 The offeror must understand that exceptions to the "Uniform Terms and Conditions" and exceptions to the "Special Terms and Conditions" are very rarely granted.


26.2 The exception is **approved only if the offeror receives the approval in writing**. If the exception is acceptable, AHCCCS will give written approval and will often do a written amendment to the solicitation. Any exceptions not addressed or not responded to by the Contract Specialist are denied.

9. Reference "Special Terms and Conditions," page 57:
DELETE para 1.7 and **REPLACE** with the following:

1.7 Term of the Contract: The initial term of this contract shall be for a minimum of two years with three (3) one-year options to extend, not to exceed a total contracting period of five (5) years. The terms and conditions of any such contract extension shall remain the same as the original contract, as amended. All contract extensions shall be through contract amendment, and shall be at the sole option of AHCCCSA. When the Contracting Officer issues an amendment to extend the contract, the provisions of such extension will be deemed to have been accepted 60 days after the date of mailing by the Contracting Officer, even if the extension amendment has not been signed by the Contractor, unless within that time the Contractor notifies the Contracting Officer in writing that it refuses to sign the extension amendment. If the Contractor provides such notification, the Contracting Officer will initiate contract termination proceedings.

10. Reference "Cost Proposal," page 70:
REPLACE the Cost Proposal page with the attached new Cost Proposal.

Offeror hereby acknowledges receipt and understanding of this Solicitation Amendment.		This Solicitation Amendment is hereby executed this 13 th day of August 2007, in Phoenix, Arizona.
		Signed Copy in Contract File
Signature	Date	
Typed Name and Title		Michael Veit
		Contracts and Purchasing Administrator
Name of Company		

 AHCCCS	Exhibit A – Cost Proposal Form		AHCCCS Arizona Health Care Cost Containment System 701 East Jefferson, MD 5700 Phoenix, Arizona 85034
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COST PROPOSAL FORM

1. Prices

The Offeror shall provide proposed firm, fixed costs for each of the four contract periods. In addition, to the fixed costs, a per diem rate must be provided for the period of May 19, 2008 – June 30, 2009. The proposed costs shall be considered “all-inclusive” and the successful Contractor will not be reimbursed for any other costs associated with the resultant contract services.

Contract Period	Costs for KidsCare	Costs for HIFA Parents	Total Costs
Period 1 (Fixed Costs) ■ May 19, 2008 – June 30, 2009 ■ July 1, 2009 – June 30, 2010 Total for Year 1			
Period 1 (Per Diem Costs) ■ May 19, 2008 – June 30, 2009			
Period 2 (Fixed Costs) (July 1, 2010 – June 30, 2011)			
Period 3 (July 1, 2011 – June 30, 2012)			
Period 4 (July 1, 2012 – June 30, 2013)			

2. Detail Budgets

As described in the Special Instructions to the Offeror, Section 3.1, the Offeror must also provide detail budgets for each of the four contract periods. The first contract period should be further subdivided by the two annual periods (i.e., May 19, 2008 – June 30, 2009 and July 1, 2009 – June 30, 2010).